

AN ORDINANCE

BY FINANCE/EXECUTIVE COMMITTEE

**AN ORDINANCE TO AUTHORIZE THE USE OF
THE AUCTION PROCESS TO DISPOSE OF REAL
PROPERTY ACQUIRED BY THE CITY BY VIRTUE
OF UNPAID AD VALOREM TAXES OR UNPAID
CITY LIENS AND FOR OTHER PURPOSES.**

WHEREAS, pursuant to O.C.G.A. §48-4-48, the City holds fee simple title to "tax deed" and "marshall's deed" property after a period of seven (7) years (for deeds executed prior to July 1, 1989) and after a period of four (4) years (for deeds executed on or after July 1, 1989); and

WHEREAS, because the City holds fee simple title to these properties, they must be disposed of on a competitive basis; and

WHEREAS, existing City ordinances and procedures governing the disposition of real property, require the City to incur costs which usually exceed the tax or lien debt; and

WHEREAS, by an ordinance adopted May 6, 1996 and approved May 13, 1996, the City attempted to dispose of ten (10) of such properties pursuant to a pilot project which sought to minimize costs and waived the fair market value requirement of Code Section 2-1574; and

WHEREAS, this pilot project was unsuccessful in that it attracted only one (1) bidder for one or two parcels who was unable to consummate the purchase transaction; and

WHEREAS, the City believes that the disposition of such properties is more likely to be successful by the implementation and utilization of a procedure which minimizes cost in combination with an auction process; and

WHEREAS, pursuant to O.C.G.A §36-37-6(a), the City is authorized to dispose of real property by sale to the highest responsible bidder, either by sealed bids or by auction after due notice has been given.

**THE COUNCIL OF THE CITY OF ATLANTA, GEORGIA HEREBY ORDAINS
AS FOLLOWS:**

#1

COMMITTEE AMENDMENT FORM

Committee FINANCE/ EXECUTIVE Page Number(s) 1

Ordinance I.D.# 99-0-0855 Section(s) 4,7,8

Resolution I.D.# _____ Paragraph _____

Date 6/16/99

from
Amendment: Section 4: After the word insert in ~~lieu~~ lieu there of "administrative cost for services shall be charged to various Fund Account Center Numbers."

Section 7: At the end of sentence add the following words and "revenue collected shall be deposited in Fund Account Center ~~1401 462101 B00001~~ blank."

Section 8: At the end of sentence add the following words and "revenue collected from water liens shall be deposited in Water Fund Account Center Number 2J01 445101 B00001 and in Sewer Fund Account Center Number 2J01 445211 B00001."

Section 1: Due to unpaid ad valorem taxes or unpaid city liens, fee simple title to certain parcels of land has become vested in the city by virtue of O.C.G.A. §48-4-48.

Section 2: Said property is not useful to nor needed by the city.

Section 3: The purchasing agent is hereby authorized to sell such properties by auction to the highest responsible bidder.

Section 4: A public notice of the properties to be sold at auction shall be provided in accordance with Section 2-1572(e) of the City Code provided however that as to each property, said notice shall only contain a general description, the approximate square footage, the location, and any conditions of the sale or restrictions for use. The notice shall also provide the time, date and location where the auction will be held, along with any and all general requirements, conditions and/or restrictions applicable to the auction process and the sale of the property. Posting notice on the property shall not be required.

The cost of said public notice shall be charged to and paid from account number _____.

Section 5: In order to minimize the disposition costs, land surveys and appraisals shall not be required.

Section 6: With regard to the properties sold at auction pursuant to this ordinance, the fair market value requirement of City Code Section 2-1574 is hereby waived.

Section 7: Each parcel shall be sold to the highest responsible bidder, provided however, that no parcel against which accrued ad valorem taxes and/or unpaid liens due the city, coupled with penalties and interest exceeds \$1,000, shall be sold for less than \$1,000 or the pro rata cost of the advertisement related to said parcel, whichever is less; provided further, that parcels against which such unpaid taxes and liens do not exceed \$1,000, shall be sold for not less than the amount due (including penalties and interest) plus the pro rata advertisement costs for said property, incurred by the city.

Section 8: Parcels containing liens for unpaid water bills shall not be sold for less than the amount due on said water bills plus accrued penalties and interest, unless any such water bill debt has been written off as uncollectible by the City.

Section 9: The purchasing agent shall have the right to reject any and all bids or to cancel any proposed sale. Further, with the exception of the cost of the public notice as required by Section 4, above, the city shall pay no additional fees or costs related to the auctioning of said properties.

Section 10: All deeds, public notices, advertisements and any information regarding disposition of said properties shall contain the following disclaimer:

"TITLE TO THE PROPERTY OR PROPERTIES LISTED HEREIN HAS BEEN ACQUIRED BY THE CITY OF ATLANTA PURSUANT TO A TAX DEED AND/OR MARSHALL'S DEED AND BY THE OPERATION OF O.C.G.A. §48-4-48. PURCHASERS WILL ACQUIRE ONLY SUCH INTEREST AND QUALITY OF TITLE AS THE CITY POSSESSES AND NO WARRANTIES OF TITLE ARE GIVEN OR EXPRESSED BY THE CITY WITH REGARD TO SUCH PROPERTY OR PROPERTIES.

ALL DUE DILIGENCE WITH RESPECT TO TITLE AND/OR ASCERTAINING INTERESTS OTHER THAN THE CITY'S, SHALL BE THE RESPONSIBILITY OF PURCHASER AND ALL SALES SHALL BE FINAL."

Section 11. The public notice shall also contain the following:

"ANY PERSON OR ENTITY CLAIMING AN OWNERSHIP INTEREST IN ANY OF THE LISTED PROPERTIES SHALL MAKE SAID INTEREST KNOWN TO THE PURCHASING AGENT AND SHALL PROVIDE EVIDENCE OF SUCH INTEREST NOT LESS THAN TWENTY (20) DAYS PRIOR TO THE AUCTION.

Section 12. Any and all parcels on which no bid is received or the bid or bids do not comply with Section 7 hereof, may be offered to the City of Atlanta/Fulton County Land Bank Authority for an agreed upon value upon proper resolution of the city council and mayor.

Section 13: The mayor is hereby authorized to execute any and all deeds and other documents necessary to effectuate the sale and disposition of real property pursuant to this ordinance.

Section 14. Any and all City Code provisions or ordinances, or parts of City Code provisions or ordinances which are inconsistent with the provisions of this ordinance or in conflict therewith are hereby waived for purposes of this ordinance only.

**LARGE
DOCUMENT
ATTACHED**